



California Regional Water Quality Control Board

Los Angeles Region



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Secretary for
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Arnold Schwarzenegger
Governor

April 1, 2010

NOTICE OF LODGING OF SETTLEMENT AGREEMENT

WRITTEN COMMENTS DUE BY **5:00 P.M., APRIL 15, 2010**

Notice is hereby given that on March 30, 2010, a proposed Settlement Agreement in the bankruptcy matter, *In re Lyondell Chemical Company, et al.*, Jointly Administered Bankruptcy Case No. 09-10023 (REG), was lodged with the United States Bankruptcy Court for the Southern District of New York.

The Los Angeles Regional Board filed proofs of claim in the bankruptcy proceedings of debtor Lyondell Chemical Company and 93 of its affiliates (collectively, "Lyondell") seeking payment of prepetition oversight costs incurred by the Los Angeles Regional Board under the Porter-Cologne Water Quality Control Act, California Water Code section 13000 *et seq.* ("Porter-Cologne") for the former Weber Aircraft site in Burbank, California. The Los Angeles Regional Board also filed protective proofs of claim with respect to work that Lyondell is or may be required to perform in the future at the former Weber Aircraft site pursuant to administrative orders under Porter-Cologne. Lyondell filed objections in the bankruptcy proceedings to the Los Angeles Regional Board's protective claims. The proposed Settlement Agreement resolves the Los Angeles Regional Board's claims against Lyondell.

Pursuant to the Settlement Agreement, the Los Angeles Regional Board will receive an allowed general unsecured claim in the bankruptcy in the amount of \$5,000,000 in settlement of the proofs of claim filed by the Los Angeles Regional Board for the former Weber Aircraft site. The Los Angeles Regional Board will also receive a cash payment of \$3,500,000 in settlement of Lyondell's objection to the Los Angeles Regional Board's proofs of claim for the former Weber Aircraft site, as well as the Los Angeles Regional Board's agreement not to seek injunctive relief against Lyondell for prepetition acts at four additional non-debtor-owned sites not included in the Los Angeles Regional Board's proofs of claim, which are known as: (1) the 801 East 61st Street site in Los Angeles, California, (2) the Bandini Boulevard site in Los Angeles, California, (3) the 86 Rio Ranch Road site in Pomona, California, and (4) the Sunset Light site in Commerce, California. Cash received will be deposited into the State Water Pollution Cleanup and Abatement Account.

You may submit written comments on the proposed Settlement Agreement, which must be received by 5:00 p.m. on **April 15, 2010**. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and either emailed to pubcomment-ees.enrd@usdoj.gov or mailed to P.O. Box 7611, U.S. Department of Justice, Washington, D.C. 20044-7611. Please refer to *In re Lyondell Chemical Company, et al.*, D.J. Ref. 90-5-2-1-2132/3. After the public comment period closes, the U.S. Department of Justice will transmit copies of comments received to the Los Angeles Regional Board for consideration.

The Settlement Agreement may be examined at the Los Angeles Regional Board's office, 320 W. 4th Street, Suite 200, Los Angeles, CA 90013. During the public comment period, the Settlement Agreement may also be examined at the following web site, <http://www.waterboards.ca.gov/losangeles/>. For additional information, please contact Samuel Unger at (213) 576-6607 or sunger@waterboards.ca.gov.

